

FISCAL NOTE
HB 3978 - SB 3940

March 30, 2006

SUMMARY OF BILL: Establishes a minimum order of 100 plates prior to the initial issuance of a new specialty earmarked plate that allocates a portion of funds derived from sale and renewal thereof to a branch, department, or agency of state government to further state governmental purposes. Currently all new specialty earmarked plates must have a minimum order of 1,000 plates prior to initial issuance.

ESTIMATED FISCAL IMPACT:

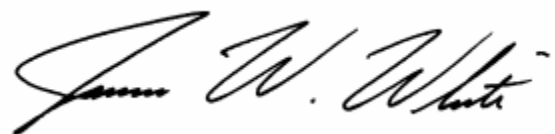
Increase State Revenues - \$2,876/General Fund
\$624/Dedicated Funds
Increase State Expenditures - \$2,876 One-Time

Assumptions:

- Since 1996, only eight plates that designate a portion of the funds to a branch, department, or agency of state government to further state governmental purposes have been issued. An additional plate of this type will be issued if the minimum initial order of 1,000 is met before June 30, 2006.
- An average of one new specialty earmarked plate that designates a portion of the funds to a branch, department, or agency of state government to further state governmental purposes that would not have been issued in the absence of this bill will be issued per year.
- Revenues (100 plates @ \$35.00 each)
- Expenditures (Production cost - 100 plates @ \$3.76 each = \$376 one-time; computer system changes = \$2,500 one-time)
- One hundred new plates will be purchased by individuals that currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 50% to a specially designated branch, department, or agency of state government; 40% to the Tennessee Arts Commission; and 10% to the State Highway Fund.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director